

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION**

MAXIM CRUDE OIL, LLC
Plaintiff

vs.

NOIL CORP., INC. and
MORRELL STEVE NEELY

Defendants

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Civil Cause No. 2:21-cv-00090

DECLARATION OF JENNIFER WATSON

I, Jennifer Watson, declare as follows:

1. My name is Jennifer Watson. I am over the age of 18, and I am fully competent to make this Declaration. The statements contained in this Declaration are true and correct and are based on my personal knowledge.

2. I have worked at Noil Corp, Inc. ("Noil") for approximately three to four years and my current position is senior vice president.

3. On or about March 15, 2021, Maxim Crude Oil, LLC ("Maxim") entered into a Crude Products Agreement. Pursuant to the contract and consistent with industry norms, the contract was a prepayment contract. Section 6(a) of the contract expressly states that Maxim "shall, except at Noil Corp. Inc.'s option, pay Noil Corp. Inc. cash before delivery or pickup for crude products purchased hereunder." The invoice of the same date is consistent with the contract and required prepayment by Maxim. Maxim had difficulty in providing the necessary payment and failed to make the full payment set forth in the invoice.

4. Noil's goal was to find and provide product to Maxim. Maxim wanted the product to come from the Valero Three Rivers terminal near Corpus Christi. Maxim knew that Noil was working on obtaining the product because Maxim also called the refinery verifying what we were

telling Maxim. Noil was told by Valero that it could provide the requested naptha product. However, that did not occur because the Valero terminal was shut down and, as Maxim was also told, Valero may never bring this terminal back up. David Hillman of Maxim told us that Valero had told Maxim that Valero may never provide product out of the Three Rivers terminal again.

5. The majority of my communication was with David Hillman of Maxim and we regularly spoke to try and get the deal done while Noil was working with Valero to get set to start lifting the product. Even after Maxim threatened Noil and terminated the contract, we continued to try and source product for Maxim. Noil's efforts have resulted in Noil identifying product that could be sourced for Maxim. However, Maxim has turned down those sources due to pricing or logistics. I was also informed that another deal for product for Maxim was turned down because Maxim was a high risk due to multiple lawsuits across multiple states and bankruptcy.

6. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

EXECUTED this 5th day of May, 2021.



JENNIFER WATSON